

STARK & STARK

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Castle Shield Holdings, LLC

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In Re: Log Storm Security, Inc., Debtor.	Chapter 11 Case No. 20-12043 (MBK) Hearing Date: December 17, 2020 @ 10 a.m.
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**AMENDED OMNIBUS MOTION FOR ENTRY OF AN ORDER
AUTHORIZING THE REJECTION OF CERTAIN EXECUTORY
CONTRACTS AND UNEXPIRED LEASE**

Castle Shield Holdings, LLC (“Castle Shield”) by and through its undersigned counsel hereby files the following Amended Omnibus Motion for Entry of an Order Authorizing the Rejection of Certain Executory Contracts and Unexpired Lease (the “Amended Motion”), and submits as follows:

BACKGROUND

1. On or about October 1, 2020 Castle Shield’s motion (the “Original Motion” and with the Amended Motion, the “Motion”) for entry of an order pursuant to sections 105(a) and 365 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 6004(h), 6006(a), (d) and (f) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) authorizing the Debtor to reject certain executory contracts and unexpired lease effective as of September 1, 2020, the date the Order Confirming First Amended Chapter 11 Plan of Reorganization of Log Storm Security, Inc. D/B/A Black stratus (the “Confirmation Order”) was entered by the Court.

2. The purpose of amending the Motion is to pivot from Castle Shield's initial request to reject all the M&S Contracts.¹ In the Original Motion, Castle Shield had specifically reserved its right to withdraw any contracts and seek assumption, rather than rejection of same. Castle Shield hereby seeks to exercise its reserved right to assume all M&S Contracts

3. By way of additional Background, as detailed in the Certification of Jeffrey T. Roney filed in support of the Motion, after the Original Motion was filed, Castle Shield learned that Debtor was in possession of substantial additional information regarding the M&S Contracts that was not turned over to Castle Shield, as required by the Confirmation Order.

4. Castle Shield also learned that while failing to turn over the required information relating to the M&S Contracts, Dale Cline, a former principal of the Debtor, and Andrew Gleason, a former employee of the Debtor, worked in concert to divert the M&S Contracts to another company, Aegis IT, seemingly to deprive Castle Shield of its designation rights.

5. As a result of the information discovered by Castle Shield after the Original Motion was filed, Castle Shield sought modified relief at the initial hearing before the Court concerning the Motion, including among other things: (i) carrying the Original Motion vis-à-vis the M&S Contracts for a period of thirty (30) days, to allow Castle Shield a reasonable opportunity to investigate whether assumption of certain M&S contracts was appropriate; and (ii) compelling Dale Cline and Andrew Gleason's compliance with the Confirmation Order, by requiring them to turn over information relating to the M&S Contracts as described in the certification of Jeffrey T. Roney filed in support of the Motion. The modified relief was requested by way of supplement to the Original Motion filed on November 13, 2020 [Document No. 180] and was also supported by a separate Motion to Compel Compliance with the Confirmation Order, filed by Castle Shield on November 13, 2020 [Document No. 177].

6. After the initial hearing relative to the Original Motion and the Motion to Compel Compliance,

¹ Capitalized terms herein shall have the same meaning ascribed to them as in the Motion, unless otherwise noted.
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this Court entered orders (i) Granting in Part and Adjourning in Part Omnibus Motion for Order Authorizing Rejection of Executory Contracts and Unexpired Lease [Doc. 186]; and (ii) Compelling Compliance with Confirmation Order [Doc 185] (the “Orders”). Among other things, the Orders mandated that Mr. Cline and Mr. Gleason comply with the Confirmation Order; that they provide an e-mail distribution list used by Mr. Gleason to solicit M&S Contract counter-parties on October 26, 2020 (the “Distribution List”); and that Mr. Cline execute a letter to be forwarded to the Distribution List to remedy certain improper conduct and to clarify the status of the M&S Contracts vis-à-vis this bankruptcy case to M&S Contract counter-parties.

7. Mr. Cline and Mr. Gleason provided lists to Castle Shield; and a letter was executed by Mr. Cline, which Castle Shield transmitted to the e-mail addresses provided². Over 50% of the emails transmitted were returned as not deliverable.

8. Castle Shield has reconciled the information it previously was able to mine from Debtors’ filings and documents turned over by Debtor’s counsel, with the recently provided distribution lists. A couple of issues stand out. First, for many M&S Contracts where no contact information was previously supplied, Mr. Gleason and Mr. Cline now were able to turn over multiple contact email addresses. Moreover, a few additional M&S Contracts were simply never previously disclosed (NetBit, Ltd., UK Ministry of Defense, and Tata Consulting Services). Simply put, despite having readily available contract and contact information as to M&S Contracts, such information was not disclosed until Castle Shield was forced to file the Motion to Compel Compliance with the Confirmation Order. There may be additional M&S Contracts which have still not been disclosed.

² Castle Shield is concerned that the email distribution lists provided by Mr. Cline and Mr. Gleason were not the precise list used on October 26, 2020. While reports obtained by Mr. Gleason reveal that less than 30 emails he sent on October 26, 2020, were not delivered, Castle Shield received almost 70 returned e-mails that were not delivered. While Mr. Gleason has provided purported explanations for this differential, this 100% spread in e-mail failure is concerning given the passage of less than one month from the original emails transmitted by Mr. Gleason on October 26, 2020 and the second email transmitted by Castle Shield.

AMENDED RELIEF REQUESTED

9. As detailed above, executory contracts have been designated for assumption or rejection to Castle Shield. Based upon its initial review and reconciliation of information made available, Castle Shield initially requested that M&S Contracts, known or unknown be rejected as of the date the Confirmation Order was entered. Given the information Castle Shield has learned since this Motion was initially filed and given the information recently turned over by Mr. Gleason and Mr. Cline, Castle Shield requests amended relief authorizing the assumption of the M&S Contracts, effective upon the entry of an order granting such relief. A true copy of revised list of M&S Contracts, with updated contacts and additional contracts is attached hereto as **Exhibit “A”**.

WHEREFORE, Castle Shield respectfully requests entry of an order authorizing the assumption of all M&S Contracts (known and unknown), including without limitation, those listed in Exhibits “A”, as of the date the Order granting the Amended Motion is entered, and granting such other and further relief as this Court deems just and proper.

Dated: December 9, 2020

Respectfully submitted,
STARK & STARK, P.C.

/s/ Joseph H. Lemkin
Joseph H. Lemkin, Esq.

Counsel for Castle Shield Holdings, LLC

EXHIBIT "A"

MAINTENANCE & SUPPORT CONTRACTS

Account Name	Deal Name		Contact Information
1 st Summit Bank	1 st Summit Bnak – CINXI One M&S Renewal 2020		esumner@1stsummit.com tsmith@1stsummit.com kburkett@1stsummit.com
1 st Summit Bank	1 st Summit Bank – CINXI One M&S Renewal 2021		Kurt McLucas; kmcluca@linkcorp.com
Aquarion Water Company	Aquarion Water Company – 2TB Virtual LS M&S 2020		Jane Leonard; jleonard@aquarionwater.com
CAC1 (L3 Communications)	CACI – LS xp1 M&S Renewal 2020		Jack Jones; jack.jones@caci.com steven.yetton@caci.com tommy.brown@caci.com madeleine.mogin@caci.com sherley.luxama@caci.com
Central Cooperative Bank	Central Cooperative Bank VLS Ann Sub 2020		
Central Cooperative Bank	Central Cooperative Bank VLS Ann Sub 2021		Miroslav Milevski; Miroslav.milevski@netbit.mk
Children International	Children International – Cinxi M&S Renewal 2020		Shannon Fleming; sfleming@choicesolutions.com lcayton@choicesolutions.com netadmin@children.org rramirez@children.org
Commercial Bank of PA	Commercial Bank of PA – Cinxi M&S Renewal 2000		Kurt McLucas; kmcluca@linkcorp.com sswansboro@cbthebank.com
Data Dimensions	Data Dimensions – LS Ranger M&S Renewal		Linda Tregoning; LTregoning@datadimenions.com

	2020		mkelley@datadimensions.com bmaag@datadimensions.com jboumstein@datadimensions.com
Environmental Protection Agency (EPA OIG)	EPA OIG Cinxi Exp M&S Renewal 2020		Tang.Cuong@epa.gov macon.tonya@epa.gov bodas.shailesh@epa.gov
Environmental Protection Agency (EPA OIG)	EPA OIG Cinxi Exp M&S Renewal 2021		Jaime Aguilar; Aguilar.Jaime@epa.gov
Eurostandard Bank AD Skopje	Eurostandard Bank – LS Express M&S 2019		
Financial Crimes Enforcement Network – FINCEN Treasury	FinCEN – M&S Renewal 2020		gregory.sohn@fincen.gov nicole.cook@fincen.gov lena.ip@fincen.gov
Lutherwood	Lutherwood – xp1 M&S Renewal 2020		Emily Meens; emeens@lutherwood.ca lutherwoodit@lutherwood.ca
Ministry of Defense			Marcus Woodcock marcus.woodcock990@mod.gov.uk
National Guard – San Louis Obispo CA	National Guard – San Louis Obispo CA – M&S Renewal 2020		Katherine Kent; Katherine.m.kent.civ@mail.mil stella.h.davis.civ@mail.mil
NetBit Ltd.			miroslav.milevski@netbit.mk georgi.milev@netbit.mk lazar.sundovski@netbit.mk
NJHA	NJHA – 2TB VLS M&S Renewal 2020		Stewart Steinberg; ssteinberg@njha.com
Orange Business Services	Orange Business – SIEM Storm Storage Annual Subscription 2020		emilia.lagoa@orange.com jerome.toutee@orange.com asim007.as@gmail.com sudhirtiwari8@gmail.com milos.srnec@orange.com
PA GAME COMM.	PA Game Commission		Susan R. Young;

	Cinxi M&S Renewal 2020		suyoung@pa.gov
Rivers Casino	Rivers Casino-Cinxi M&S Renewal 2020		Eliot Costianis; eliot@mnjtech.com
Slovak Radio and Television	Slovak Radio n TX M&S Renewal 2020		Martin Grecner; martin@ditec.sk pospasil@ditec.sk cerven@ditec.sk
Slovakia Ministry of Justice	Slovakia MoJ – SIEM Storm M&S 2020		Martin Grecner; martin@ditec.sk
TCS – DBS (TATA Consulting Services)			neil.williams@tcs.com sandeep.patel@tcs.com kiran.k5@tcs.com rmiller@yahoo.com himanshu.tripathi1@tcs.com amitk.shah@tcs.com sachin.pavithran@tcs.com neil.gould@tcs.com nabaneeta.sarkar@tcs.com mail2shan_india@yahoo.co.in harish.dp@tcs.com lenin.s@tcs.com gordon.shea@tcs.com amratashere@gmail.com nabrun.raychaudhuri@tcs.com rajesh.kamasani@tcs.com mksamy_05@yahoo.co.in apurva.sachan@tcs.com trustdmunyuki@gmail.com
UltiSat	UltiSat – Cinxi Rangers M&S Renewal 2020		jmarierose@ultisat.com wthomas@ultisat.com emorillo@ultisat.com crosca@ultisat.com emcconnell@ultisat.com
UltiSat	UltiSat – Cinxi Rangers M&S Renewal 2020		Salim Hassn; salimhassan@speedcastgov.com
Westmoreland County Courthouse	Westmoreland County Courthouse – LogStorm M&S Renewal 2020		Terry Onusko; TONUSKO@co.westmoreland.pa.us rsvesnik@co.westmoreland.pa.us